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INTERSTATE COMMERCE COMMISSION

INTERIM LEASE OF RAILROAD
EQUIPMENT

among

TEXAS, OKLAHOMA & EASTERN RAILROAD COMPANY
LESSEE

WEYERHAEUSER COMPANY
GUARANTOR

and

BANKERS TRUST COMPANY,
as Trustee

LESSOR

dated as of April 1, 1971

THIS INTERIM LEASE dated as of April 1, 1971, among TEXAS, OKLAHOMA & EASTERN RAILROAD COMPANY, an Oklahoma corporation (herein called the "Lessee"), WEYERHAEUSER COMPANY, a Washington corporation (herein called the "Guarantor"), the owner of all the capital stock of Lessee, and BANKERS TRUST COMPANY, as trustee (herein called the "Lessor") under an Interim Trust Agreement dated the date hereof (herein called the "Interim Trust Agreement"), substantially in the form of Annex A hereto, between Industrial Leasing Corporation, a Rhode Island corporation (herein called the "Beneficial Owner") and said trustee,

W I T N E S S E T H :

WHEREAS, subject to the Interim Conditional Sale Agreement between General Motors Corporation, a Delaware corporation (herein called the "Manufacturer"), and the Lessor dated the date hereof (herein called the "Interim Conditional Sale Agreement"), substantially in the form of Exhibit II to the Interim Trust Agreement, the Lessor has acquired one Model GP40 Diesel Electric General Purpose Locomotive with Lessee's road number D- 12 (the "Unit"); and

WHEREAS, the parties hereto contemplate that prior to June 1, 1971 certain documents relating to the

financing of the Unit shall have been entered into, among which shall be a Lease of Railroad Equipment covering the Unit and other railroad equipment which shall succeed and replace or result from an amendment to this Lease; and

WHEREAS, the Lessee, the Guarantor and the Beneficial Owner under the Interim Trust Agreement desire that until such date or until such further agreements shall have been entered into the Lessee shall lease said Unit upon the terms and conditions herein set forth;

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties hereto agree as follows:

1. LEASE OF THE UNIT AND ACCEPTANCE BY LESSEE.

Subject to the conditions precedent in the immediately following sentence, the Lessor hereby leases to the Lessee, and the Lessee hereby leases from the Lessor, the Unit. The parties hereto agree that the execution and delivery of the Certificate of Acceptance referred to in Section 6 of the Interim Conditional Sale Agreement by an agent of the Lessee shall constitute acceptance by the Lessee of the Unit leased hereby and that the execution and delivery of such Certificate is a condition precedent to the effectiveness of this Lease.

2. TERM. The term of this Lease shall commence on the date hereof and shall continue until the earlier of (1) 5 days beyond the date upon which the Lessor shall have given written notice to the Lessee that the Lessor

desires to terminate this Lease or (11) June 1, 1971.

3. RENT. Subject to such subsequent adjustment as may be mutually agreed upon by the parties hereto, the aggregate rent payable for the Unit throughout the term of this Lease shall be \$100.00, payable to the Lessor on the final day of the term hereof. Any payment of the foregoing rent shall be credited against any rent due to the Lessor from the Lessee for the Unit under any amendment hereto or any subsequent lease between the Lessor and the Lessee covering the Unit which by its terms requires the payment of rent for any period including the term hereof.

4. THE INTERIM CONDITIONAL SALE AGREEMENT. On the date of the execution and delivery of this Lease, the Lessor has purchased the Unit pursuant to the Interim Conditional Sale Agreement with the Manufacturer, it being specifically agreed to by the Lessee that all of the interests of the Lessee in and to the Unit are subject to and subordinate in all respects to all of the right, title and interest of the Manufacturer in and to the Unit under the Interim Conditional Sale Agreement.

5. LESSEE'S OBLIGATION TO PURCHASE UNDER CERTAIN CIRCUMSTANCES. If upon the final day of the term of this Lease the parties hereto shall not have entered into permanent financing arrangements with respect to the Unit and other railroad equipment (including two diesel locomotives

substantially similar to the Unit) as contemplated by this Lease, the Interim Trust Agreement and the Interim Conditional Sale Agreement, the Lessee agrees unconditionally to purchase and the Lessor agrees to sell, the Unit on the next succeeding business day. The purchase price shall be in an amount equal to the Owner's Cost (used herein as that term is defined in the Interim Conditional Sale Agreement). Upon such payment the Lessor shall deliver to the Lessee a bill of sale without representations or warranties of any kind. The full amount of the Owner's Cost shall be paid directly to the Manufacturer, for the account of the Lessor as a credit against any amounts owing from the Lessor to the Manufacturer under the Interim Conditional Sale Agreement.

6. INDEMNIFICATION AND EXPENSES.

(a) General Indemnity. The Lessee agrees, whether or not any of the transactions contemplated hereby shall be consummated, to assume liability for, and does hereby indemnify, protect, save and keep harmless the Lessor, the Beneficial Owner and the Trust Estate (used herein as that term is defined in the Interim Trust Agreement) and their respective successors, assigns, agents and servants, from and against, any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements, including legal fees and expenses, of whatsoever kind and nature, imposed on, incurred by or asserted against the Lessor, the Trust Estate or the Beneficial Owner or any of their respective successors, assigns, agents and servants, in any way

relating to or arising out of this Lease, the Interim Trust Agreement, or the action or inaction of the Lessor as trustee thereunder, or the manufacture, purchase, acceptance or rejection under the Interim Conditional Sale Agreement, ownership, delivery, lease, possession, use, operation, condition, damage, destruction, loss, sale to or by the Lessor, return or other disposition of the Unit (including, without limitation, latent and other defects, whether or not discoverable by the Lessor or the Lessee, and any claim for patent, trademark or copyright infringement), except only that the Lessee shall not be required to indemnify the Lessor, the Trust Estate or the Beneficial Owner or their respective successors, assigns, agents and servants, for loss or liability in respect of the Unit arising from acts or events resulting from the wilful misconduct or gross negligence of the party otherwise to be indemnified hereunder. If any party hereto shall have knowledge of any claim or liability hereby indemnified against, it shall give prompt written notice thereof to the other party.

(b) Particular Indemnity. Without limitation of Section 6(a) hereof, the Lessee agrees: (i) to pay the fees and disbursements of the Lessor as trustee under the Trust Agreement throughout the term hereof and (ii) to pay all of the costs and expenses incurred by the Lessor and

the Beneficial Owner, or any counsel acting on their behalf, in connection with the preparation, execution and delivery of this Lease, the Interim Conditional Sale Agreement or the Interim Trust Agreement or any waivers with respect thereto. Upon payment in full by the Lessee or the Guarantor of any indemnities contained in Section 6(a) or 6(b) hereof, it shall be subrogated to any rights of the individual or corporation indemnified in respect of the matter against which indemnity has been given. The indemnities in favor of the Lessor under Sections 6(a) and 6(b) shall inure to the benefit of the Lessor in its capacity as such and as trustee under the Interim Trust Agreement. The Lessee's obligations under Sections 6(a) and 6(b) shall be that of primary obligor irrespective of whether the individual or corporation indemnified shall also be indemnified with respect to the same matter under the Interim Trust Agreement or the Interim Conditional Sale Agreement.

(c) Taxes. The Lessee agrees to pay, and to indemnify and hold the Lessor and the Beneficial Owner harmless from, all license and registration fees and all sales, use, personal property and other taxes, levies, imposts, duties, charges or withholdings of any nature (together with any penalties, fines or interest thereon) arising at any time prior to or during the term the Unit is leased hereunder, or upon the return of such Unit to the Lessor, and imposed against the Lessor, the Beneficial Owner or the Trust Estate or otherwise, by any federal, state or local government or taxing authority upon or with respect to such Unit or upon the purchase, ownership, delivery,

leasing, possession, use, operation, return or other disposition thereof, or upon the rentals, receipts or earnings arising therefrom or upon or with respect to this Lease, the Interim Trust Agreement and the properties of the Lessor covered thereby, the Trust Estate, the Interim Conditional Sale Agreement or upon the income or other proceeds received with respect to the property held in trust by the Lessor under the Interim Trust Agreement (excluding, however, federal taxes on or measured by, the net income of the Beneficial Owner and taxes, fees or other charges of any other jurisdiction which are based on, or measured by, the net income of the Beneficial Owner and (i) imposed by the jurisdiction in which the principal office of the Beneficial Owner is located or (ii) imposed by any other jurisdiction in which the Beneficial Owner is subject to taxes, fees or other charges as the result of business or transactions unrelated to this Lease and excluding any taxes on or measured by any fees or compensation received by the Lessor for services rendered in connection with the transactions contemplated hereby), unless and to the extent only that any such tax, levy, impost, duty, charge or withholding is being contested by the Lessee in good faith and by appropriate proceedings and the nonpayment thereof does not, in the opinion of the Lessor, adversely affect the title, property or rights of the Lessor hereunder or under the Interim Conditional Sale Agreement. In case any report or return is required to be made with respect to any obligation of the Lessee under this Section 6(c) or arising out of this Section 6(c), the Lessee will either make such report or return in such manner as will show the interests of the Lessor

and the Manufacturer in the Units and send a copy of such report or return to the Lessor and the Manufacturer or will notify the Lessor and the Manufacturer of such requirement and make such report or return in such manner as shall be satisfactory to the Lessor and the Manufacturer.

(d) Continuing Indemnity. All the indemnities contained in paragraphs (a), (b) and (c) of this Section 6 shall continue in full force and effect in accordance with their terms notwithstanding the expiration or other termination of this Lease and are expressly made for the benefit of, and shall be enforceable by, the Lessor and the Beneficial Owner; provided, however, that if at or prior to the expiration of this Lease the parties hereto shall have entered into permanent financing arrangements with respect to the Unit and other railroad equipment as contemplated by this Interim Lease, the Interim Trust Agreement and the Interim Conditional Sale Agreement, all of the aforementioned indemnities shall thereupon cease.

7. LESSEE'S OBLIGATIONS UNCONDITIONAL. The Lessee agrees to pay amounts owing hereunder on the due date thereof in immediately available funds to the Lessor at its address set forth in Section 10 hereof or to such other person at such other address as may be herein designated or from time to time designated by the Lessor in writing; and the Lessee hereby agrees that its obligation to pay such amounts shall be absolute and unconditional under all circumstances, including, without limitation, the following circumstances:

(i) any setoff, counterclaim, recoupment, defense or other right which the Lessee may have against the Lessor, any seller or

manufacturer of any Unit or anyone else for any reason whatsoever; (ii) any defect in the condition, design, operation or fitness for use of any Unit or the existence of any liens, encumbrances or rights of others whatsoever with respect to such Units, whether or not resulting from claims against the Lessor not related to the ownership of such Units; (iii) any damage to or loss or destruction of any Unit or any interruption or cessation in the use or possession thereof by the Lessee for any reason whatsoever; (iv) any insolvency, bankruptcy, reorganization or similar proceedings by or against the Lessee; or (v) any other event or circumstances whatsoever, whether or not similar to any of the foregoing. To the extent permitted by applicable law, the Lessee hereby waives any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender the lease of the Unit except in accordance with the express terms hereof. If for any reason whatsoever this Lease shall be terminated in whole or in part by operation of law or otherwise except as specifically provided herein or shall be disaffirmed by any trustee or receiver for the Lessee or the Lessor, the Lessee nonetheless agrees to pay to the Lessor an amount equal to such amounts at the time such amounts would have become due and payable in

accordance with the terms hereof had this Lease not been terminated or disaffirmed in whole or in part. Each payment made by the Lessee or the Guarantor hereunder shall be final and the Lessee will not seek to recover all or any part of such payment from the Lessor for any reason whatsoever.

8. OBLIGATIONS OF GUARANTOR. The Guarantor, for value received, hereby unconditionally and irrevocably guarantees to the Lessor by endorsement (through its execution hereof) the due and punctual payment of the Owner's Cost payable pursuant to Section 5 hereof, the due and punctual payment of all sums payable by the Lessee and the due and punctual performance of all other obligations of the Lessee under this Lease when due, whether by declaration or otherwise, strictly in accordance with the terms of this Lease and in case any such payments or obligations are not so made or performed the Guarantor agrees punctually to pay or perform the same.

The Guarantor hereby agrees that its obligations hereunder shall be absolute and unconditional under all circumstances, including, without limitation, the following circumstances: (a) any setoff, counterclaim, recoupment, defense or other right which Lessee may have against the Lessor, the Manufacturer or anyone else for any reason whatsoever;

(b) any defect in the condition, design, operation or fitness for use of the Unit or the existence of any liens, encumbrances or rights of others whatsoever with respect to the Unit, whether or not resulting from claims against the Lessor not related to the ownership of the Unit; (c) any damage to or loss or destruction of the Unit or any interruption or cessation in the use or possession thereof by the Lessee for any reason whatsoever; (d) any insolvency, bankruptcy, reorganization or similar proceedings by or against the Lessee; (e) the taking by the Lessor of any steps to enforce any of its rights or remedies under this Lease against the Lessee or the Unit; (f) the invalidity, illegality or unenforceability of this Lease or the disaffirmance thereof in any insolvency, bankruptcy or reorganization proceeding relating to the Lessee; (g) the existence of any law, regulation or decree now or hereafter in effect which might cause or permit to be invoked any alteration in the time, amount, manner of payment or performance of any of the Lessee's obligations under this Lease; or (h) any other event or circumstances whatsoever, whether or not similar to the foregoing. This guaranty shall continue to be effective or be reinstated, as the case may be, if at any time

payment or performance of any of the Lessee's obligations under this Lease is rescinded or must otherwise be restored or returned by the Lessor upon the insolvency, bankruptcy or reorganization of the Lessee, or otherwise, all as though such payment or performance had not occurred. The Guarantor waives any requirement of diligence or promptness on the part of the Lessor in making demand, commencing suit or exercising any other right or remedy under this Lease or otherwise and any right to require the Lessor to exercise any right or remedy against the Lessee or the Unit prior to enforcing any right of the Lessor against the undersigned hereunder.

9. IDENTIFICATION. The Lessee, at its own expense, will cause the Unit to be kept numbered with the road number with respect thereto and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of such Unit, in letters not less than one inch in height, the following words:

"LEASED TO TEXAS, OKLAHOMA & EASTERN
RAILROAD COMPANY BY BANKERS TRUST COM-
PANY, AS OWNER-TRUSTEE, AND SUBJECT TO
A SECURITY INTEREST RECORDED WITH THE
I.C.C."

or other appropriate words designated by the Lessor, with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the title of the Lessor or the Manufacturer to such Unit and the rights of the Lessor under this Lease and of the Manufacturer under the Interim Conditional Sale Agreement.

The Lessee will not place the Unit in operation or exercise any control or dominion over the same until such name and/or words shall have been so marked on both sides thereof and will replace promptly any such names and word or words which may be removed, defaced or destroyed. The Lessee will not change the identifying number of the Unit except in accordance with a statement of new identifying numbers to be substituted therefor, which statement previously shall have been filed with the Manufacturer and the Lessor by the Lessee and filed, recorded or deposited in all public offices where this Lease will have been filed, recorded or deposited. The cost of marking all such numbers, names and word or words shall be borne by the Lessee.

Except as above provided, the Lessee will not allow the name of any person, association or corporation to be placed on the Unit as a designation that might be interpreted as a claim of ownership; provided, however, that the Lessee may cause the Unit to be lettered with the names, initials or other insignia customarily used

by the Lessee or its affiliates on railroad equipment used by them of the same or a similar type for convenience of identification of their rights to use the Unit as permitted under this Lease.

10. RECORDING; FURTHER ASSURANCES. Prior to the delivery and acceptance hereunder of the Unit, the Lessee has caused this Lease and the Interim Conditional Sale Agreement to be filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act. The Lessee will from time to time do and perform any act and will execute, acknowledge, deliver, file, register, record and deposit (and will refile, reregister, rerecord or redeposit whenever required) any and all further instruments required by law or reasonably requested by the Lessor for the purpose of proper protection, to the satisfaction of the Lessor, of the Manufacturer's and the Lessor's respective interests in the Unit, or for the purpose of carrying out the intention of this Lease and the Interim Conditional Sale Agreement; and the Lessee will promptly furnish to the Manufacturer and the Lessor evidences of all such filing, recording or depositing, and an opinion or opinions of counsel for the Lessee with respect thereto satisfactory to the Manufacturer and the Lessor. All of the foregoing shall be at the Lessee's expense.

11. FURTHER OBLIGATIONS. The Guarantor and the Lessee agree for the benefit of the Beneficial Owner to enter into the permanent financing arrangements with respect to the Unit and other railroad equipment (which equipment shall include two diesel locomotives substantially similar to the Unit) contemplated by this Lease, the Interim Trust Agreement and the Interim Conditional Sale Agreement upon the completion of documentation relating thereto reasonably satisfactory to the respective counsel of each and to amend this Lease to reflect the terms, and/or take such other action as may be necessary or advisable to effect the purposes, of such financing arrangements.

12. NOTICES. All notices hereunder shall be in writing and shall become effective when deposited in the United States certified mail, first-class postage prepaid, addressed as follows: if to the Lessor, at 16 Wall Street, New York, New York 10015, Attention: Corporate Trust Division; if to the Lessee, at Hot Springs, Arkansas, Attention: Mr. W. C. Southard ; if to the Guarantor, at Tacoma, Washington 98401, Attention: Mr. C. W. Ramey; or addressed to any party at such other address as such party shall from time to time designate in writing to the other party.

13. EXECUTION IN COUNTERPARTS. This Lease may be executed by the parties hereto in several separate counterparts, each of which when so executed shall be deemed to be an original, and in each case such counterparts together shall constitute but one and the same instrument.

14. MISCELLANEOUS. Any provision of this Lease

which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law the Lessee hereby waives any provision of law which renders any provision hereof prohibited or unenforceable in any respect. No term or provision of this Lease may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which the enforcement of the change, waiver, discharge or termination is sought; and any waiver of the terms hereof shall be effective only in the specific instance and for the specific purpose given. This Lease shall constitute an agreement of lease, and nothing herein shall be construed as conveying to the Lessee any right, title or interest in any Unit except as a lessee only. The captions in this Lease are for convenience of reference only and shall not define or limit any of the terms or provisions hereof. This Lease shall in all respects be governed by, and construed in accordance with, the laws of the State of New York, including all matters of construction, validity and performance, provided, however, that the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act, such additional

rights arising out of the filing, recording or deposition hereof and of any assignment hereof or out of the marking on the Unit as shall be conferred by the laws of the several jurisdictions in which this Lease or any assignment hereof shall be filed, recorded or deposited and any and all rights arising out of the marking of the Unit.

15. SUCCESSION TRUSTEE. The Lessee agrees that in the case of the appointment of any successor Trustee pursuant to the terms of the Interim Trust Agreement, such successor Trustee shall, upon written notice by such successor Trustee to the Lessee, succeed to all the rights, powers and title of the Lessor hereunder and shall be deemed to be the Lessor and the owner of the Unit for all purposes hereof, without the necessity of any consent or approval by the Lessee and without in any way altering the terms of this Lease or the Lessee's obligations hereunder. One such appointment and designation of the successor Trustee shall not exhaust the right to appoint and designate further successor trustees pursuant to the Interim Trust Agreement, but such right may be exercised repeatedly as long as this Lease shall be in effect.

IN WITNESS WHEREOF, the Lessor, the Lessee and the Guarantor have caused this Agreement to be duly executed

by their respective officers or representatives thereunto
duly authorized as of the day and year first above written.

TEXAS, OKLAHOMA & EASTERN
RAILROAD COMPANY

By Charles W. Ramsey
Attorney-in-Fact

WEYERHAEUSER COMPANY


By [Signature]
Attorney-in-Fact

BANKERS TRUST COMPANY,
as Trustee

By [Signature]
VICE PRESIDENT

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.:

On this 15th day of April, 1971, before me personally appeared Charles W. Ramey, Jr., to me personally known, who being by me duly sworn, says that he is the Attorney-in-Fact of Texas, Oklahoma & Eastern Railroad Company, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

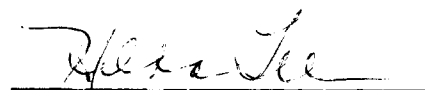

Notary Public

[SEAL]

HILDA LEE
Notary Public, State of New York
No. 317468850
Qualified in New York County
My commission expires March 30, 1972

STATE OF NEW YORK }
COUNTY OF NEW YORK) ss.:

On this ¹⁵ day of April, 1971, before me personally appeared Alan P. Vandever, to me personally known, who being by me duly sworn, says that he is the Attorney-in-Fact of Weyerhaeuser Company, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

[SEAL]

My commission expires Notary Public, State of New York.
HILBA LEE
No. 3174-10-0
Qualified in New York County
Commission Expires March 30, 1972

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.:

On this *8th* day of April, 1971, before me personally appeared ~~HERMAN E. MAIER~~ *G. E. MAIER*, to me personally known, who being by me duly sworn, says that he is a Vice President of Bankers Trust Company, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Marion Dannon
Notary Public

[SEAL]

MARION DANNON
Notary Public, State of New York
No. 31-5169913
Qualified in New York County
Commission Expires March 30, 1972

My commission expires *March 30, 1972*

INTERIM TRUST AGREEMENT

between

INDUSTRIAL LEASING CORPORATION

and

BANKERS TRUST COMPANY,
as Trustee

dated as of April 1, 1971

This INTERIM TRUST AGREEMENT dated as of April 1, 1971 between BANKERS TRUST COMPANY, a New York banking corporation (herein called the "Trustee"), and INDUSTRIAL LEASING CORPORATION, a Rhode Island corporation (herein called the "Beneficial Owner"),

W I T N E S S E T H :

WHEREAS, the parties hereto desire to enter upon the trusts herein set forth as part of an interim financing of certain railroad equipment and contemplate that prior to June 1, 1971 certain documents relating to the permanent financing of said railroad equipment will have been entered into, among which shall be a Trust Agreement which shall succeed and replace, or result from an amendment to, this Interim Trust Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. For all purposes of this Agreement the following terms shall have the following meanings (such definitions to be equally applicable to both the singular and plural forms of the terms defined):

(a) "Assignment and Assumption" shall mean that certain Purchase Contract Assignment and Assumption between DeQueen & Eastern Railroad Company and the Trustee and the Consent and Agreement of the Manufacturer annexed thereto, both to be executed the date hereof and delivered by the respective parties thereto concurrently with the execution and delivery of this Agreement, in substantially the form of Exhibit I hereto.

(b) "Guarantor" shall mean Weyerhaeuser Company, a Washington corporation, as Guarantor under the Interim Lease and under the Interim Conditional Sale Agreement.

(c) "Interim Conditional Sale Agreement" shall mean that certain Interim Conditional Sale Agreement to be dated as of the date hereof and to be executed and delivered by the Manufacturer, the Guarantor and the Trustee, as vendee, in substantially the form of Exhibit II hereto concurrently with the execution and delivery

of this Agreement, as said Interim Conditional Sale Agreement may from time to time be supplemented or amended, or the terms thereof waived or modified, to the extent permitted by, and in accordance with, the terms of this Agreement.

(d) "Interim Lease" shall mean that certain Interim Lease of Railroad Equipment to be dated as of the date hereof and to be entered into by the Trustee, the Guarantor and the Lessee in substantially the form of Exhibit III hereto concurrently with the execution and delivery of this Agreement, as said Interim Lease of Railroad Equipment may from time to time be supplemented or amended, or the terms thereof waived or modified, to the extent permitted by, and in accordance with, the terms of this Agreement.

(e) "Lessee" shall mean the Texas, Oklahoma & Eastern Railroad Company, an Oklahoma corporation.

(f) "Trust Estate" shall mean all estate, right, title and interest of the Trustee in and to the Unit, the Interim Conditional Sale Agreement and the Interim Lease, including, without limitation, (i) all amounts of rentals, indemnity or other payments of any kind for or with respect to the Unit, (ii) all right, title and interest in and to the Unit accruing to the Trustee after the payment in full of the Owner's Cost, and (iii) any and all payments or proceeds received by the Trustee after the termination of the

Interim Lease with respect to the Unit as the result of the sale, lease or other disposition thereof.

SECTION 1.02. For all purposes of this Agreement the following terms shall have the meanings defined in the Interim Conditional Sale Agreement:

"Certificate of Acceptance", "Manufacturer",
"Owner's Cost" and "Unit".

ARTICLE II

AUTHORITY TO EXECUTE THE INTERIM CONDITIONAL SALE AGREEMENT AND THE INTERIM LEASE; DECLARATION OF TRUST

SECTION 2.01. The Beneficial Owner hereby authorizes and directs the Trustee to execute and deliver the Assignment and Assumption, the Interim Conditional Sale Agreement and the Interim Lease and, subject to the terms of this Agreement, to exercise the rights and perform the duties of the assignee under the Assignment and Assumption, the vendee under the Interim Conditional Sale Agreement and the lessor under the Interim Lease.

SECTION 2.02. The Trustee hereby declares that it will hold the Trust Estate upon the trusts hereinafter set forth for the use and benefit of the Beneficial Owner in accordance with the terms of this Agreement.

ARTICLE III

ACCEPTANCE AND DELIVERY OF UNIT; PAYMENT

SECTION 3.01. The Beneficial Owner hereby au-

thorizes and directs the Trustee to, and the Trustee agrees that it will, perform and observe all the terms and provisions of the Interim Conditional Sale Agreement and the Interim Lease and authorize a representative of the Trustee (who may be an agent of the Lessee) to execute a Certificate of Acceptance for the Unit on the date of delivery thereof pursuant to Article 1 of the Interim Conditional Sale Agreement. The Trustee and the Beneficial Owner agree that the Beneficial Owner shall have no obligation hereunder to pay to the Trustee all or any portion of the Owner's Cost.

ARTICLE IV

RECEIPT, DISTRIBUTION AND APPLICATION OF INCOME FROM THE TRUST ESTATE

SECTION 4.01. The Trustee shall apply any payment of (i) rent for the Unit or (ii) the Owner's Cost resulting from the purchase by the Lessee of the Unit as provided in Section 5 of the Interim Lease received by the Trustee, whether from the Lessee or the Guarantor, as follows:

(a) Prior to payment in full of the Owner's Cost under the Interim Conditional Sale Agreement, the amount of any such payment received for the Unit equal to the lesser of (i) the amount of such payment, or (ii) the amount payable under the Interim Conditional Sale Agreement in respect of the Owner's Cost shall upon receipt be distributed by the Trustee to the Manufacturer in discharge of the Trustee's obligations under and pursuant to the Interim Conditional Sale Agreement; and

(b) All amounts remaining after payment in full of the Owner's Cost in accordance with subsection (a) above shall be applied by the Trustee, first, to the reimbursement of the Trustee for all expenses not reimbursed under this Agreement, the Interim Lease or otherwise, and, second, any sums remaining thereafter shall be distributed to the Beneficial Owner.

SECTION 4.02. All payments at any time received by the Trustee from or on behalf of the Lessee pursuant to the Lessee's indemnities contained in Section 6 of the Interim Lease shall be applied, first, to any tax or other cost or expense incurred or loss suffered by the Trustee, and, second, to the Beneficial Owner.

SECTION 4.03. Any payments received by the Trustee, other than those referred to in the previous Sections of this Article, for which provision as to the application thereof is made in the Interim Lease shall be applied to the purpose for which such payment was made in accordance with the terms of the Interim Lease; and any payments received by the Trustee for which no provision as to the application thereof is made in the Interim Lease or in this Article IV shall be retained as part of the Trust Estate and, shall, to the extent such payments are not required to discharge the Trustee's obligations under and pursuant to the Interim

Conditional Sale Agreement, upon termination of this Agreement and the trusts created hereby, be distributed in accordance with the terms of Section 4.04 hereof.

SECTION 4.04. Except as otherwise provided in Section 4.02 and the first clause of 4.03 hereof moneys remaining as part of the Trust Estate after payment in full of the Owner's Cost, shall be applied, first, to the reimbursement of the Trustee for any expenses not reimbursed under this Agreement, the Interim Lease or otherwise and, second, any balance remaining thereafter shall be distributed to the Beneficial Owner.

SECTION 4.05. The Trustee shall make distributions to be made by the Trustee to (a) the Beneficial Owner pursuant to this Article IV at the office of the Beneficial Owner at 111 Westminster Street, Providence, Rhode Island 02903 and (b) the Manufacturer pursuant to this Article IV in the manner specified in the Interim Conditional Sale Agreement.

ARTICLE V

DUTIES OF THE TRUSTEE

SECTION 5.01. Subject in all respects to the terms and provisions of the Assignment and Assumption, the

Interim Conditional Sale Agreement and the Interim Lease and the rights of the Manufacturer and the Lessee, respectively, thereunder, and subject further to the terms of Section 5.02 hereof, upon the written request at any time and from time to time of the Beneficial Owner, the Trustee will take such of the following action as may be specified in such request: (i) give such notice or direction or exercise such right or power under the Assignment and Assumption, the Interim Lease or the Interim Conditional Sale Agreement with respect thereto or to the Unit, including, without limitation, the right to transfer, assign, modify or convey the Trustee's interest in the Assignment and Assumption, the Interim Conditional Sale Agreement, the Interim Lease or the Unit, as shall be specified in such request; and (ii) after the expiration or earlier termination of the Interim Lease with respect to the Unit, convey all of the Trustee's right, title and interest in and to such Unit for such amount, on such terms and to such purchaser or purchasers as shall be designated in such request, or retain, lease or otherwise dispose of such Unit as shall be designated in such request.

SECTION 5.02. The Trustee shall not be required to take any action under Section 5.01 hereof unless the Trustee shall have been indemnified by the Beneficial Owner, in manner and form satisfactory to the Trustee,

against any liability, cost or expense (including counsel fees) which may be incurred in connection with such action. The Trustee shall not be required to take any action under Section 5.01 hereof, nor shall any other provision of this Agreement be deemed to impose a duty on the Trustee to take any action, if the Trustee shall determine, or shall have been advised by counsel, that such action is likely to result in personal liability or is contrary to the terms of the Interim Lease, the Interim Conditional Sale Agreement or is otherwise contrary to law.

SECTION 5.03. It is agreed that the Trustee shall have no duty or obligation to manage, control, use, sell, dispose or otherwise deal with the Unit or any other part of the Trust Estate, or to otherwise take or refrain from taking any action under, or in connection with, the Assignment and Assumption, the Interim Lease, or the Interim Conditional Sale Agreement, except as expressly provided by the terms of this Agreement or as expressly provided in written instructions from the Beneficial Owner received pursuant to the terms of Section 5.01 hereof; and no implied duties or obligations shall be read into this Agreement against the Trustee; provided, however, that nothing contained in this Article V shall limit in any manner (a) the obligation of the Trustee to perform and observe all of the terms and provisions with respect to the Vendee

under the Interim Conditional Sale Agreement or the Lessor under the Interim Lease or (b) the obligations of the Trustee set forth in Article IV hereof.

SECTION 5.04. The Trustee agrees that it will not manage, control, use, sell, dispose or otherwise deal with the Unit or any other part of the Trust Estate except (i) as required by the terms of the Interim Lease, the Interim Conditional Sale Agreement, (ii) in accordance with the powers granted to, or the authority conferred upon, the Trustee pursuant to this Agreement, or (iii) in accordance with written instructions from the Beneficial Owner pursuant to Section 5.01 hereof.

ARTICLE VI

THE TRUSTEE

SECTION 6.01. The Trustee accepts the trusts hereby created and agrees to perform the same but only upon the terms of this Agreement. The Trustee shall not be answerable or accountable under any circumstances, except for its own willful misconduct or gross negligence.

SECTION 6.02. Except in accordance with written instructions furnished pursuant to Section 5.01 hereof and without limitation of the generality of Section 5.03 hereof, the Trustee shall have no duty (i) to see to any recording,

filing or depositing of the Assignment and Assumption, the Interim Lease, the Interim Conditional Sale Agreement or of this Agreement, or of any amendments or supplements thereto or to see to the maintenance of any such recording or filing or depositing or to any rerecording, refiling or redepositing of any thereof, (ii) to see to any insurance on the Unit or to effect or maintain any such insurance, (iii) to see to the payment or discharge of any tax, assessment or other governmental charge or any lien or encumbrance of any kind owing with respect to, assessed or levied against, any part of the Trust Estate, or (iv) to inspect the Unit at any time or ascertain or inquire as to the performance or observance of any of the Lessee's covenants under the Interim Lease with respect to the Unit.

SECTION 6.03. The Trustee makes (i) no representation or warranty as to the value, condition or fitness for use of the Unit or as to its title thereto, or any other representation or warranty with respect to the Unit whatsoever, and (ii) no representation or warranty, as to the validity, legality or enforceability of this Agreement, the Assignment and Assumption, the Interim Lease or the Interim Conditional Sale Agreement, or as to the correctness of any statement contained in any thereof.

SECTION 6.04. No moneys received by the Trustee hereunder need be segregated in any manner except to the extent required by law and may be deposited with the Trustee under such general conditions as may be prescribed by law in the general banking department of the Trustee and the Trustee shall not be liable for any interest thereon.

SECTION 6.05. The Trustee shall incur no liability to anyone in acting upon any signature, instrument, notice, resolution, request, consent, order, certificate, report, opinion, bond or other document or paper believed by it to be genuine and believed by it to be signed by the proper party or parties. The Trustee may accept a copy of a resolution of the Board of Directors of any corporate party, certified by the Secretary or an Assistant Secretary of said party, as duly adopted and in full force and effect, as conclusive evidence that such resolution has been duly adopted by said Board and that the same is in full force and effect. As to any fact or matter the manner of ascertainment of which is not specifically described herein, the Trustee may for all purposes hereof rely on a certificate, signed by or on behalf of the party executing the same, as to such fact or matter, and such certificate shall constitute full protection to the Trustee for any action taken or omitted to be taken by it in good faith in reliance thereon. In the administration of the trusts here-

under, the Trustee may execute any of the trusts or powers hereof and perform its powers and duties hereunder directly or through other agents or attorneys and may, at the expense of the Trust Estate, consult with counsel, accountants and other skilled persons to be selected and employed by it, and the Trustee shall not be liable for anything done, suffered or omitted in good faith by it in accordance with the advice or opinion of any such counsel, accountants or other skilled persons.

SECTION 6.06. In accepting the trusts hereby created, the Trustee acts solely as trustee hereunder and not in its individual capacity; and all persons, other than the Beneficial Owner, having any claim against the Trustee by reason of the transactions contemplated hereby shall look only to the Trust Estate for payment or satisfaction thereof.

SECTION 6.07. The Trustee shall be entitled to reasonable compensation for its services hereunder and the Beneficial Owner agrees to pay same to the extent not paid by the Lessee pursuant to the provisions of the Interim Lease.

ARTICLE VII

INDEMNIFICATION OF TRUSTEE BY THE BENEFICIAL OWNER

SECTION 7.01. The Beneficial Owner hereby agrees, whether or not any of the transactions contemplated hereby

shall be consummated, to assume liability for, and does hereby indemnify, protect, save and keep harmless the Trustee, and its successors, assigns, legal representatives, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, taxes, claims, actions, suits, costs, expenses and disbursements, including legal fees and expenses, of whatsoever kind and nature imposed on, incurred by or asserted against the Trustee or its successors, assigns, legal representatives, agents and servants (whether or not also indemnified against by the Lessee under the Interim Lease or also indemnified against by the Manufacturer or any other person) in any way relating to or arising out of this Agreement, the Assignment and Assumption, the Interim Lease, the Interim Conditional Sale Agreement, or the performance or enforcement of any of the terms of any thereof, or in any way relating to or arising out of the manufacture, purchase, acceptance, rejection, ownership, delivery, lease, possession, use, operation, condition, sale, return or other disposition of the Unit (including, without limitation, latent and other defects, whether or not discoverable, and any claim for patent, trademark or copyright infringement), or in any way relating to or arising out of the administration of the Trust Estate

or the action or inaction of the Trustee hereunder, except only in the case of wilful misconduct or gross negligence on the part of the Trustee in the performance of its duties hereunder. The indemnities contained in this Section shall survive the termination of this Agreement with respect to all amounts for which indemnity is provided hereunder arising out of events occurring at or prior to such termination. In addition, if necessary, the Trustee shall be entitled to indemnification from the Trust Estate for any and all liabilities, obligations, losses, damages, penalties, taxes, claims, actions, suits, costs, expenses or disbursements indemnified against pursuant to this Section 7.01 to the extent not reimbursed by the Lessee, the Manufacturer, the Beneficial Owner or any other person; and to secure the same the Trustee shall have a lien on the Trust Estate prior to any interest therein of the Beneficial Owner.

ARTICLE VIII

TRANSFER OF THE BENEFICIAL OWNER'S INTERESTS

SECTION 8.01. The Beneficial Owner shall not assign, convey or otherwise transfer any of its right, title or interest in and to this Agreement or the Trust Estate, except that all, but not less than all, of its right, title and interest in and to this Agreement and

the Trust Estate may be assigned, conveyed or transferred by the Beneficial Owner to any corporation which shall enter into an agreement or agreements, in form and substance satisfactory to the Trustee, the Manufacturer, the Guarantor and the Lessee, whereby such corporation becomes a party to this Agreement and agrees to be bound by all the terms of, and to undertake all of the obligations of, the Beneficial Owner contained in this Agreement. Upon any such disposition by the Beneficial Owner to a successor corporation as above provided, such successor shall be deemed the "Beneficial Owner" for all purposes hereof; and each reference herein to the Beneficial Owner shall thereafter be deemed a reference to such successor; provided, however, that if such successor is not a corporation with a combined capital and surplus of at least \$50,000,000, the Beneficial Owner shall, unless the Trustee shall have waived such requirement in writing, continue to be secondarily liable for such successor's primary obligations under Section 7.01 hereof unless such successor is the Lessee.

SECTION 8.02. If the Beneficial Owner shall propose to transfer its interests hereunder pursuant to Section 8.01 hereof, it shall give written notice to the Trustee, specifying the name and address of the proposed transferee, and enclosing the agreement or agreements

referred to in said Section 8.01, together with the instrument or instruments evidencing the approval of the form and substance thereof by the Manufacturer, the Guarantor and the Lessee.

ARTICLE IX

SUCCESSOR TRUSTEE

SECTION 9.01. (a) The Trustee or any successor thereto may resign at any time without cause by giving at least 30 days' prior written notice to the Beneficial Owner, such resignation to be effective on the date specified in such notice. In addition, the Beneficial Owner may at any time remove the Trustee without cause by an instrument in writing delivered to the Trustee. In the case of the resignation or removal of the Trustee, the Beneficial Owner may appoint a successor Trustee by an instrument signed by the Beneficial Owner. If the Beneficial Owner shall not have appointed a successor Trustee within 30 days after notice of such resignation or removal, the Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee to act until such time, if any, as a successor shall have been appointed by the Beneficial Owner as above provided. Any successor Trustee so appointed by such court shall immediately and without further act be superseded by any successor Trustee appointed by the Beneficial Owner within one year from the date of the appointment by such court.

(b) Any successor Trustee, whether appointed by a court or by the Beneficial Owner, shall execute and deliver to the predecessor Trustee an instrument accepting such appointment, and thereupon such successor Trustee, without further act, shall become vested with all the estates, properties, rights, powers, duties and trusts of the predecessor Trustee in the trusts hereunder with like effect as if originally named as a Trustee herein; but nevertheless upon the written request of such successor Trustee, such predecessor Trustee shall execute and deliver an instrument transferring to such successor Trustee, upon the trusts herein expressed, all the estates, properties, rights, powers and trusts of such predecessor Trustee, and such predecessor Trustee shall duly assign, transfer, deliver and pay over to such successor Trustee any property or moneys then held by such predecessor Trustee upon the trusts herein expressed.

(c) Any successor Trustee, however appointed, shall be a bank or trust company having its principal place of business in the Borough of Manhattan, City and State of New York, and having a combined capital and surplus of at least \$25,000,000, or if there be such an institution willing, able and legally qualified to perform the duties of the Trustee hereunder on reasonable or customary terms.

(d) Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation to which substantially all the business of the Trustee may be transferred, shall, subject to the terms of paragraph (c) of this Section, be the Trustee under this Agreement without further act.

ARTICLE X

SUPPLEMENTS AND AMENDMENTS TO THIS AGREEMENT AND OTHER DOCUMENTS

SECTION 10.01. The Beneficial Owner will cause the Trustee to enter into the permanent financing arrangements with respect to the Unit and other railroad equipment (which equipment shall include two diesel locomotives substantially similar to the Unit) contemplated by this Agreement, the Assignment and Assumption, the Interim Lease and the Interim Conditional Sale Agreement upon the completion of documentation relating thereto satisfactory to the Beneficial Owner and to amend this Agreement in accordance with the provisions of Section 10.02 hereof to reflect the terms, and/or take such other action as may be necessary or advisable to effect the purposes, of such financing arrangements.

SECTION 10.02. Subject to the provisions of Section 5.02 hereof, at any time and from time to time, upon the written request of the Beneficial Owner, the Trustee shall (i) execute, together with the Beneficial Owner, a supplement hereto for the purpose of adding provisions to, or changing or eliminating provisions of, this Agreement as specified in such request and (ii) enter into or consent to such written amendment of or supplement to the Assignment and Assumption, the Interim Lease or the Interim Conditional Sale Agreement as the Guarantor, the Lessee or the Manufacturer, as the case may be, may agree to and as may be specified in such request, or execute and deliver such written waiver or modification of the terms of the Assignment and Assumption (or the rights arising therefrom), the Interim Lease or the Interim Conditional Sale Agreement as may be specified in such request.

SECTION 10.03. It shall not be necessary for any written request of the Beneficial Owner furnished pursuant to Section 10.02 hereof to specify the particular form of the proposed document to be executed pursuant to said Section, but it shall be sufficient if such request shall indicate the substance thereof.

SECTION 10.04. Promptly after the execution by the Trustee of any document entered into pursuant

to Section 10.02 hereof, the Trustee shall mail a conformed copy thereof to the Beneficial Owner, but the failure of the Trustee to mail such conformed copy shall not impair or affect the validity of such document.

ARTICLE XI

MISCELLANEOUS

SECTION 11.01. This Agreement and the trusts created hereby in any event shall terminate and this Agreement shall be of no further force or effect upon the earlier of (a) the sale, transfer or other final disposition by the Trustee of all property, including all right, title and interest of the Trustee in and to the Interim Conditional Sale Agreement, the Interim Lease and the Unit, at any time part of the Trust Estate and the final distribution by the Trustee of all moneys, other property and proceeds constituting the Trust Estate, as the Beneficial Owner may at any time direct, or (b) twenty-one years less one day after the date of the earliest acknowledgment of the execution of this Agreement by any party hereof; otherwise this Agreement and the trusts created hereby shall continue in full force and effect in accordance with the terms hereof.

SECTION 11.02. The Beneficial Owner shall not have legal title to any part of the Trust Estate. No transfer, by operation of law or otherwise, of the right, title and interest of the Beneficial Owner in and to the

Trust Estate or hereunder shall operate to terminate this Agreement or the trusts hereunder or entitle any successor or transferee of the Beneficial Owner to an accounting or to the transfer to it of legal title to any part of the Trust Estate.

SECTION 11.03. Any assignment, sale, transfer or other conveyance by the Trustee of the interest of the Trustee in the Interim Conditional Sale Agreement, the Interim Lease, the Unit or its rights under the Assignment and Assumption made pursuant to the terms of this Agreement, the Interim Conditional Sale Agreement or the Interim Lease shall bind the Beneficial Owner and shall be effective to transfer or convey all right, title and interest of the Trustee and the Beneficial Owner, in, to and under the Interim Conditional Sale Agreement, the Interim Lease, the Unit or the Assignment and Assumption. No purchaser or other grantee shall be required to inquire as to the authorization, necessity, expediency or regularity of such assignment, sale, transfer or conveyance or as to the application of any sale or other proceeds with respect thereto by the Trustee.

SECTION 11.04. Nothing in this Agreement, whether express or implied, shall be construed to give to any person other than the Trustee and the Beneficial Owner and their respective successors and assigns, any legal or

equitable right, remedy or claim under or in respect of this Agreement; but this Agreement shall be held to be for the sole and exclusive benefit of the Trustee and the Beneficial Owner and their respective successors and assigns.

SECTION 11.05. Unless otherwise expressly specified or permitted by the terms hereof, all notices shall be in writing, mailed by regular mail, postage prepaid, and (i) if to the Trustee, addressed to it at its office at 16 Wall Street, New York, New York 10015, (ii) if to the Beneficial Owner, addressed to the Beneficial Owner at its office at 111 Westminster Street, Providence, Rhode Island 02903. Whenever any notice in writing is required to be given by the Trustee to the Beneficial Owner, such notice shall be deemed given and such requirement satisfied if such notice is mailed by regular mail, postage prepaid, addressed to the Beneficial Owner at the address last known to the Trustee as the address of the Beneficial Owner.

SECTION 11.06. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 11.07. No term or provision of this Agreement may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party or other person against whom enforcement of the change, waiver, discharge or termination is sought; and any waiver of the terms hereof shall be effective only in the specific instance and for the specific purpose given.

SECTION 11.08. This Agreement may be executed by the parties hereto in several separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 11.09. All covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the Trustee and its respective successors and assigns, and the Beneficial Owner and its successors and, to the extent permitted by Article VIII hereof, its assigns. Any request, notice, direction, consent, waiver or other instrument or action by the Beneficial Owner shall bind its successors and assigns.

SECTION 11.10. The headings of the various articles herein are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

SECTION 11.11. This Agreement shall in all respects be governed by, and construed in accordance with, the laws of the State of New York, including all matters of construction, validity and performance.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

BANKERS TRUST COMPANY

By _____
Vice President

INDUSTRIAL LEASING CORPORATION

By _____
President

EXHIBIT I TO
INTERIM TRUST
AGREEMENT

PURCHASE CONTRACT
ASSIGNMENT AND ASSUMPTION

and

CONSENT AND AGREEMENT

dated as of April 1, 1971

ASSIGNMENT AND ASSUMPTION

THIS AGREEMENT, dated as of April 1, 1971, between DE QUEEN & EASTERN RAILROAD COMPANY (the "Assignor") and BANKERS TRUST COMPANY, as Trustee under an Interim Trust Agreement dated as of April 1, 1971 (the "Assignee"), between said Trustee and Industrial Leasing Corporation:

WITNESSETH that in consideration of One Dollar and other good and valuable consideration paid by the Assignee to the Assignor, the receipt of which is hereby acknowledged, and of the mutual promises herein contained and of the release and discharge by the Manufacturer of the Assignor from its duties and obligations under the Purchase Contract in the Consent and Agreement being executed simultaneously herewith:

1. The Assignor hereby assigns and transfers unto the Assignee, its successors and assigns, all of the right, title and interest of the Assignor in and to that certain purchase agreement between the Assignor and General Motors Corporation (the "Manufacturer") evidenced by that letter from the Manufacturer to the Assignor dated May 4, 1970, attached hereto as Annex A (the "Purchase Contract"), pursuant to the terms of which the Manufacturer would manufacture one Model GP40 Diesel Electric General Purpose Locomotive for the Assignor (the "Unit").

2. The Assignee agrees that it will be bound by and comply with all of the terms and conditions of the Purchase Contract.

3. The Assignor represents that the Purchase Contract was duly authorized and lawfully executed and delivered by it for a valid consideration on the date thereof (assuming due authorization, execution and delivery by the Manufacturer) and that on such date it was and still is a valid and existing agreement binding upon it.

4. The terms of this Agreement and all rights and obligations thereunder shall be governed by the laws of the State of New York.

5. The Assignor acts hereunder solely as Trustee under the Interim Trust Agreement referred to hereinabove and has no personal liability arising from the duties and obligations assumed hereunder and all persons dealing with the Assignee hereunder agree to look solely to the Trust Estate (as defined in the Interim Trust Agreement) with respect to the satisfaction of all such duties and obligations.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officers and their respective

corporate seals to be hereunto affixed, all as of the date first above written.

[Corporate Seal]

DE QUEEN & EASTERN RAILROAD COMPANY

Attest:

Assistant Secretary

By _____

Title: _____

[Corporate Seal]

BANKERS TRUST COMPANY,
AS TRUSTEE

Attest:

Assistant Secretary

By _____

Vice President

ANNEX A

ANNEX A

ANNEX A

ANNEX A

ELECTRO-MOTIVE DIVISION

GENERAL MOTORS CORPORATION

LA GRANGE GENERAL MOTORS ILLINOIS

May 4, 1970

Mr. J. L. Flemming
Vice President & General Manager
DeQueen & Eastern Railroad Company
810 Whittington Avenue
Hot Springs, Arkansas

Dear Mr. Flemming:

We are attaching three (3) copies each of the following documents relating to the purchase of one (1) GP40 locomotive.

1. Proposal No. 70-294 dated May 4, 1970, covering your purchase of one (1) GP40 locomotive.
2. Modification pricing covering the locomotive extras as agreed upon in our meeting of April 22, 1970. Please note in the modification pricing the charge of \$824.00 covering the application of 18" cast iron brake shoes. This price is still in question. We will resolve this price which we believe should be reduced considerably, and will show the corrected price on the Summary Quotation which will be issued 30 days prior to delivery of the locomotive.

Also note that the Cycoil engine air filter is being applied at no charge.

3. Specification No. 8056 dated June 2, 1969.

This locomotive is presently scheduled to ship in December, 1970.

You may sign and return the original copy of this proposal and it will be considered a firm order. If you prefer to use your own purchase order form it will be acceptable to us, but in that case we ask that you make reference to the Terms and Conditions on the reverse side of our proposal.

We sincerely appreciate the opportunity of quoting on your requirements.

Very truly yours,

R. W. Whitaker
R. W. Whitaker
District Manager
Southwestern Region

RWW:ja
Attachment

ZIP CODE 60322



ELECTRO-MOTIVE DIVISION
GENERAL MOTORS CORPORATION
La Grange, Illinois 60525 (312) 485-7000



LOCOMOTIVE PROPOSAL NO. 70-294

This proposal, inclusive of the conditions stated on the reverse side hereof, when accepted in writing constitutes an agreement to purchase the following equipment:

One (1) 3000 HP Model GP40 Diesel Electric General Purpose Locomotive, per Electro-Motive Division Specification No. 8056, dated June 2, 1969.

Base Price per new GP40 locomotive ----- \$ 216,500

Locomotive Modifications as listed on Page 2 ----- \$ 4,448

Total price per locomotive with above noted modifications,
F.O.B., EMD Plant, McCook, Illinois ----- \$ 220,948

Shipment from factory proposed for DECEMBER, 1970

(Proposed delivery is subject to prior order)

Accepted this date May 13 19 70

Signed this date May 4 19 70

For DE QUEEN & EASTERN RAILROAD COMPANY

GENERAL MOTORS CORPORATION
ELECTRO-MOTIVE DIVISION
La Grange, Illinois

By [Signature]

By [Signature]

Vice President

R. G. Fournier

Regional Manager

Title

Title

TERMS AND CONDITIONS

PERIOD OF OFFER

This offer will remain open for a period of 60 days from the date of the proposal.

PRICE ADJUSTMENTS

The price for the equipment herein described is subject to the following:

- (a) Upon acceptance of this proposal by the Buyer within 60 days from its date, the price set forth herein for the basic equipment and standard modifications shall remain firm for shipments delivered within 210 days from the date of this proposal.
- (b) Price of basic equipment and standard modifications delivered more than 210 days from the date of this proposal may be adjusted to the price currently in effect on the date of shipment, limited however, to a maximum cumulative escalation of 5% per year from the date of this proposal.
- (c) Prices of specialties and modifications not included in the basic specifications of the equipment and not of Seller's design and manufacture are subject to adjustment by the Seller at any time prior to the delivery of the equipment.

Seller shall in no event be responsible for, and no protection against escalation is afforded for, default or delay in delivery occasioned by any cause beyond its control such as outlined in the "Delays" clause.

Conversely, if delivery delays result through fault of Seller the prices determined as set forth above, and as though no delay in delivery had occurred, will prevail.

CERTIFICATE OF ACCEPTANCE

Upon delivery of the equipment to the F.O.B. or acceptance point called for herein, Buyer will furnish Seller a certificate, in quadruplicate, executed by its authorized agent, stating that such equipment has been delivered and is accepted without reservation on its behalf.

PAYMENT OF PURCHASE PRICE

Upon execution of the Certificate of Acceptance and receipt of Seller's invoice, Buyer will pay the full purchase price of the equipment, together with expense incurred by Seller for collection or other charges. Seller will not deliver equipment until Buyer specifies in writing a method of payment acceptable to Seller.

TAXES

In addition to the purchase price, Buyer will assume and pay all lawfully applicable taxes including sales and use taxes and/or gross receipts or gross income taxes in the nature of sales taxes (other than State or Federal Income and Excess Profits Taxes) levied or imposed and arising out of the sale, use or delivery of the equipment called for herein.

TITLE AND LIABILITY FOR DAMAGE

Notwithstanding delivery of the equipment to Buyer and its right to the use thereof, the title to the equipment specified herein shall not pass from Seller until the purchase price is fully paid, and Buyer will perform all acts necessary to perfect and assure retention of title to the equipment in Seller.

Although legal title in and to the delivered equipment is retained by Seller until receipt of the full purchase price, Buyer will assume and not be released from its obligation to pay such purchase price in the event of any damage, loss or destruction of the equipment after delivery to the F.O.B. point.

PATENTS

The Seller shall defend any suit or proceeding brought against the Buyer so far as based on a claim that equip-

ment of Seller's specification, or any part thereof, furnished under this contract constitutes an infringement of any patent, if notified promptly in writing and given authority, information and assistance (at Seller's expense) for the defense of same, and the Seller shall pay all damages and costs awarded therein against the Buyer.

In case said equipment, or any part thereof, is in such suit held to constitute infringement and the use of said equipment or part is enjoined, the Seller shall at his option and at his own expense, either procure for the Buyer the right to continue using said equipment or part, or replace same with non-infringing equipment, or modify it so it becomes non-infringing, or remove the entire equipment and refund the purchase price and the transportation and installation costs thereof.

The Seller will not assume liability for patent infringement by reason of purchase, manufacture, sale, or use of devices not included in and covered by its specification.

The foregoing states the entire liability of the Seller for patent infringement by said equipment or any part thereof.

DELAYS

Should delivery of the equipment covered by this proposal be delayed due to causes beyond the control of Seller, including but not limited to: late design changes or other actions taken by Buyer; acts of God; acts of the Government of the United States or of any State or political subdivision thereof; fires, floods, explosions or other catastrophes; epidemics and quarantine restrictions; acts of a public enemy; any strikes, slowdowns or labor shortages of any kind; any material, transportation or utility shortage or curtailment; delays of a supplier due to any of the foregoing causes, and the Seller promptly notifies the Buyer thereof in writing, the time allowed for performance will be extended by a period of time equal to the period of delay.

SERVICING

Seller will, when required, provide a service representative to assist Buyer, in a consulting capacity, in placing the equipment into operating condition.

TRANSPORTATION

For the purpose of enabling Seller's service representative(s) to fulfill Seller's obligation under this contract, Buyer will supply such representative(s) with transportation over its lines.

WARRANTY

Seller warrants to the original user that the locomotive is of the kind and quality described in the specification referred to herein and is suitable for the ordinary purposes for which such equipment is used.

Seller further warrants the locomotive to be free from defects in material and workmanship which may develop under normal use and service within two years from date of delivery or before the locomotive has been operated 250,000 miles whichever event shall first occur. Seller agrees to correct such defects, which examination shall disclose to Seller's satisfaction to be defective, by repair or replacement F.O.B. factory and such correction shall constitute fulfillment of Seller's obligation with respect to such defect under this warranty.

Seller warrants specialties not of its own specification or design to the same extent that the Suppliers of such specialties warrant such items to Seller.

There are no warranties, expressed or implied, made by Seller except the warranties set out above.

ELECTRO-MOTIVE DIVISION
GENERAL MOTORS CORPORATION
La Grange, Illinois 60525 (312) 485-7000



PROPOSAL NO. 70-294

MODIFICATION
PRICING

Overspeed control with warning whistle, 4 to 6 second time delay, service rate application with power knockdown and suppression -----	\$ 150
Provision for control service application as provided by the P2A application valve -----	\$ 350
Multiple unit control -----	\$ 1,650
MU2A and F1 selector valve for multiple unit operation with GBL brake equipped locomotives -----	\$ 275
Sanding control trainlined pneumatically -----	\$ 400
Engine turning jack -----	\$ 75
18" cast iron brake shoes in place of basic 14" shoes -----	\$ 824
Mars GP363 signal light mounted on cab roof -----	\$ 185
Prime PM type air gauge test fittings - (5) -----	\$ 55
Prime metal cab awnings both cab side windows -----	\$ 170
Wind deflectors with mirrors provided front and rear, both cab side windows -----	\$ 160
Engineer's and two (2) auxiliary slide rail mounted cab seats with arm rests on all three (3) seats -----	\$ 154
Cycoil oil engine air filter in place of basic paper filter -----	\$ <u>N/C</u>
TOTAL MODIFICATION PRICING -----	\$ 4,448

CONSENT AND AGREEMENT

The undersigned, GENERAL MOTORS CORPORATION (herein called the "Manufacturer"), hereby acknowledges notice of and consents to all of the terms of the foregoing Purchase Contract Assignment and Assumption (herein called the "Assignment and Assumption", the defined terms therein being hereinafter used with the same meaning) and in consideration therefor hereby confirms to the Assignee that all representations, warranties, indemnities and agreements of the Manufacturer under the Purchase Contract with respect to the Unit shall inure to the benefit of the Assignee to the same extent as if originally named the purchaser therein; and that the Manufacturer consents to the lease of the Unit by the Assignee to the Texas, Oklahoma & Eastern Railroad Company (herein called the "Lessee") under the Interim Lease Agreement dated as of April 1, 1971 (herein called the "Interim Lease") between the Assignee and the Lessee and hereby agrees that the Assignor is hereby released and discharged from any and all of its duties and obligations under the Purchase Contract. It is understood that the effectiveness of this Consent and Agreement is subject to the condition that concurrently with the execution hereof the Manufacturer shall enter into an Interim Conditional Sale Agreement with Bankers Trust Company as Trustee under an Interim Trust Agreement dated as of April 1, 1971, between said Trustee and Industrial Leasing Corporation

and that concurrently herewith said Trustee shall lease
the Unit to the Lessee under the Interim Lease.

GENERAL MOTORS CORPORATION

By _____
Title: _____

EXHIBIT II TO
INTERIM TRUST
AGREEMENT

INTERIM CONDITIONAL SALE AGREEMENT

among

GENERAL MOTORS CORPORATION

MANUFACTURER

WEYERHAEUSER COMPANY

GUARANTOR

and

BANKERS TRUST COMPANY,
as Trustee

VENDEE

dated as of April 1, 1971

THIS INTERIM CONDITIONAL SALE AGREEMENT dated as of April 1, 1971, among BANKERS TRUST COMPANY, a New York banking corporation (herein called the "Vendee"), as trustee under an Interim Trust Agreement dated as of the date hereof (herein called the "Interim Trust Agreement") substantially in the form of Annex A hereto, GENERAL MOTORS CORPORATION, a Delaware corporation (herein called the "Manufacturer") and WEYERHAEUSER COMPANY, a Washington corporation (herein called the "Guarantor"), the owner of all the capital stock of Lessee,

W I T N E S S E T H :

WHEREAS, the Vendee is the assignee under an Assignment and Assumption dated as of April 1, 1971 (herein called the "Assignment and Assumption") substantially in the form of Exhibit I to the Interim Trust Agreement, to which the Manufacturer has granted its consent in a Consent and Agreement, dated as of the same date, annexed thereto, pursuant to which DeQueen & Eastern Railroad Company has assigned to the Vendee its rights under a certain purchase contract to acquire the diesel locomotive referred to therein; and

WHEREAS, the Vendee has been instructed pursuant to the Interim Trust Agreement to enter into a conditional sale agreement to set forth more fully the rights and obligations of the Vendee and the Manufacturer as to the purchase of said locomotive; and

WHEREAS, it is contemplated that prior to June 1, 1971 certain documents relating to the financing by the Vendee of certain railroad equipment, including the locomotive to be acquired hereunder, shall have been entered into, among which shall be a conditional sale agreement covering such railroad equipment which shall succeed and replace, or result from an amendment hereof; and

WHEREAS, it is anticipated that as part of such contemplated financing, First National City Leasing, Inc., a New York corporation (herein called "FNCL"), will enter into an Agency Agreement with certain investors (herein called the "Investors"), whereby FNCL shall agree to act as Agent and acquire with funds advanced by the Investors the interests of the Manufacturer in the aforementioned conditional sale agreement; and

WHEREAS, the Vendee is executing a lease of said locomotive as of the date hereof to the Texas, Oklahoma & Eastern Railroad Company (herein called the "Lessee") in substantially the form of Exhibit III to the Interim Trust Agreement (herein called the "Interim Lease"); and

WHEREAS, the Manufacturer, the Guarantor and the Beneficial Owner under the Interim Trust Agreement desire that until June 1, 1971, or until such earlier date as further financing arrangements shall have been entered into the Vendee shall acquire and hold title to said locomotive upon the terms and conditions herein set forth;

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties hereto agree as follows:

ARTICLE 1. Sale. Pursuant to this Agreement and subject to the provisions of Article 5 hereof, the Manufacturer hereby sells and delivers to the Vendee the railroad equipment described in Annex B hereto (herein called the "Unit").

ARTICLE 2. Owner's Cost and Payment. The purchase price of the Unit is \$220,948.00. The Vendee hereby acknowledges itself to be indebted to the Manufacturer in the amount of, and, subject to the provisions of Article 8 hereof, hereby agrees to pay, in cash, said purchase price plus interest at the rate of 5-1/4% per annum (computed on the basis of a 365-day year factor) for the period commencing on the date hereof and ending on the date of such payment (said purchase price plus such interest being herein referred to as the "Owner's Cost") upon expiration of the term of the Interin Lease, but in any event no later than June 1, 1971, to the Manufacturer at such place as the Manufacturer may designate. Any damage, loss or destruction of the Unit shall not release the Vendee from its obligation hereunder to pay the Owner's Cost.

ARTICLE 3. Title to the Equipment. The Manufacturer shall and hereby does retain full security title to the Unit until the Vendee shall have made all of the payments required hereunder and shall have kept and performed all its agreements herein contained, notwith-

standing the delivery of the Unit to and the possession and use thereof by the Vendee or the Lessee as herein contemplated.

When and only when the Manufacturer shall have been paid the full amount of the Owner's Cost and all the Vendee's obligations herein contained shall have been performed, the Manufacturer's security title in the Unit shall be released and absolute right to the possession of and property in the Unit shall pass to and vest in the Vendee without further transfer or action on the part of the Manufacturer, except that the Manufacturer, if requested by the Vendee, will execute and deliver to the Vendee, at the expense of the Vendee and without liability to the Manufacturer, an appropriate instrument confirming such passage to the Vendee of all the Manufacturer's right, security title and interest in the Unit, in recordable form, in order that the Vendee may make clear upon the public records the title of the Vendee to the Unit.

ARTICLE 4. Warranties and Indemnities. The Manufacturer warrants to the Vendee that the Unit is of the kind and quality described in the specifications attached hereto as Annex B (herein called the "Specifications"), that the design, quality and component parts of the Unit conform to all Department of Transportation and Association of American Railroads requirements and specifications reasonably in-

terpreted as being applicable to railroad equipment of the character of the Unit as of the date of this Agreement and further warrants that the Unit is free from defects in material or workmanship which may develop under normal use and service within two years from the date hereof or before the Unit has been operated 250,000 miles, whichever event shall first occur. The Manufacturer's obligation under this paragraph as to such defects is limited to making good at its plant any part or parts of the Unit which shall be returned to the Manufacturer with transportation charges prepaid and which the Manufacturer's examination shall disclose to its satisfaction to have been thus defective. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, MADE BY THE MANUFACTURER EXCEPT THE WARRANTIES SET OUT ABOVE.

The Vendee agrees to assume and pay all lawfully applicable taxes including sales and use taxes and for gross receipts or gross income taxes in the nature of sales taxes (other than State or Federal Income and Excess Profits Taxes) levied or imposed and arising out of the sale, use or delivery of the Unit.

The Manufacturer further agrees with the Vendee that neither any inspection nor any examination, nor the acceptance of the Unit hereunder shall be deemed a waiver or a modification by the Vendee of any of its rights under this Article 4.

ARTICLE 5. Patent Indemnities. Except in cases of articles and materials not included in or covered by the Specifications, the Manufacturer agrees to defend any suit or proceeding brought against the Vendee so far as based on a claim that the Unit, or any part thereof, furnished under this contract constitutes an infringement of any patent, if notified promptly in writing and given authority, information and assistance for the defense of same, and the Manufacturer shall pay all damages and costs awarded therein against the Vendee.

In case the Unit, or any part thereof, is in such suit held to constitute infringement and the use of the Unit or part is enjoined, the Manufacturer shall at his option and at his own expense, either procure for the Vendee the right to continue using the Unit or any part thereof, or replace same with non-infringing equipment, or modify it so it becomes non-infringing, or remove the entire Unit and refund the Owner's Cost and the transportation and installation costs thereof.

The foregoing states the entire liability of the Manufacturer for patent infringement by the Unit or any part thereof.

ARTICLE 6. Conditions Precedent. The effectiveness of this Agreement is conditional upon (i) delivery of

the Unit to an authorized agent of the Vendee (who may be an agent of the Lessee) and (ii) the execution and delivery by such Agent of a Certificate of Acceptance substantially in the form of Annex C hereto.

ARTICLE 7. Obligations of the Guarantor. The Guarantor, for value received, hereby unconditionally guarantees to the Manufacturer the due and punctual performance of all obligations of the Vendee hereunder and unconditionally guarantees to the Manufacturer by endorsement (through its execution hereof) the due and punctual payment of all sums payable by the Vendee under this Agreement (including, but not limited to, all sums payable by the Vendee with respect to the Owner's Cost) when due, whether by declaration or otherwise, strictly in accordance with the provisions of this Agreement, and in case of default by the Vendee in any such obligations or payment the Guarantor agrees punctually to perform or pay the same, irrespective of any enforcement against the Vendee of any of the rights of the Manufacturer hereunder.

The Guarantor hereby agrees that its obligations hereunder shall be unconditional, irrespective of the genuineness, validity, regularity or enforceability of this Agreement or any other circumstance which might otherwise constitute a legal or equitable discharge of a surety or guarantor and irrespective of the provisions of Article 8 hereof or any other circumstance which might otherwise limit the recourse of

the Manufacturer to the Vendee. The Guarantor hereby waives diligence, presentment, demand of payment, protest and all notices with respect to this Agreement and all demands whatsoever hereunder or thereunder. No waiver by the Manufacturer of any of its rights hereunder and no action by the Manufacturer to enforce any of its rights hereunder or thereunder or failure to take, or delay in taking, any such action shall affect the obligations of the Guarantor hereunder.

In the event that the Guarantor shall make any payments to the Manufacturer, its successors and assigns, on account of its guaranty hereunder, the Guarantor hereby covenants and agrees with the Manufacturer and the Vendee that the Guarantor shall not acquire any rights, by subrogation or otherwise, against the Vendee or the Beneficial Owner under the Interim Trust Agreement with respect to the Unit by reason of such payments, all such rights being hereby irrevocably released, discharged and waived by the Guarantor.

The Vendee hereby agrees that if the Guarantor pursuant to this Article 7 shall have paid the full amount of the Owner's Cost to the Manufacturer, and the Manufacturer shall have delivered to the Vendee a release of its obligations hereunder, that the Vendee will deliver to the Guarantor a bill of sale as to the Unit, which bill of sale need contain no warranties of any kind as to the title conveyed thereby.

ARTICLE 8. Payments by Vendee. Notwithstanding any other provisions of this Agreement, it is understood and agreed by the Manufacturer that liability of the Vendee for all payments to be made by it under and pursuant to this Agreement, shall not exceed an amount equal to the "income and proceeds from the Unit" (as hereinafter in this paragraph defined), and such payments shall be made by the Vendee only to the extent that it shall have actually received sufficient "income or proceeds from the Unit" to make such payments. Except as provided in the next preceding sentence, the Manufacturer agrees that the Vendee shall have no personal liability to make any payments under this Agreement whatsoever except from the "income and proceeds from the Unit" to the extent actually received by the Vendee as above provided. In addition, the Manufacturer agrees and understands that the Vendee (i) makes no representation or warranty as to and is not responsible for the due execution, validity, sufficiency or enforceability of the Interim Lease (or any document relative thereto) or of any of the Lessee's obligations thereunder and (ii) shall have no obligation, duty or other liability whatsoever to see to or be responsible for the performance or observance by the Lessee of any of its agreements, representations, indemnities, obligations or other undertakings under the Interim Lease; it being understood that as to all such matters the Manufacturer will look solely to the Manufacturer's rights under this Agreement against

the Guarantor and the Unit and to the Manufacturer's rights under the Interim Lease against the Lessee and the Unit. As used herein the term "income and proceeds from the Unit" shall mean so much of the following amounts as are indefeasibly received by the Vendee at any time: (a) all amounts of rental paid for or with respect to the Unit pursuant to the Interim Lease and (b) any and all payments or proceeds received by the Vendee for or with respect to the Unit as the result of the sale, lease or other disposition thereof and after deducting all costs and expenses of such sale, lease or other disposition, and shall mean only that portion of the amounts referred to in the foregoing clauses (a) and (b) as are indefeasibly received by the Vendee. Nothing contained herein shall constitute an assignment of, or lien, charge or encumbrance against, the "income and proceeds from the Unit" or any right, title or interest of the Vendee under or arising out of the Interim Lease, or, of or against any payments received or to be received by the Vendee under or in connection with the Interim Lease. It is further specifically understood and agreed that nothing contained herein limiting the liability of the Vendee shall derogate from the right of the Manufacturer to proceed against the Unit or the Guarantor as provided for herein for the full unpaid Owner's Cost of the Unit. The Manufacturer agrees, however, that in the event it shall obtain a judgment against the

Vendee for an amount in excess of the amounts payable by the Vendee pursuant to the limitations set forth in this paragraph, it will, accordingly, limit its execution of such judgment to such amount.

ARTICLE 9. Further Obligations. The Guarantor and the Manufacturer agree for the benefit of the Lessee to enter into the permanent financing arrangements with respect to the Unit and other railroad equipment (which equipment shall include two diesel locomotives substantially similar to the Unit) contemplated by this Agreement, the Interim Lease and the Interim Trust Agreement upon the completion of documentation reasonably satisfactory to the respective counsel of each and to amend this Agreement to reflect the terms, and/or take such other action as may be necessary or advisable to effect the purposes, of such financing arrangements.

ARTICLE 10. Notices. Any notice hereunder shall be in writing and shall become effective when deposited in the United States certified mail, first-class postage prepaid, addressed as follows: if to the Vendee, at 16 Wall Street, New York, New York 10015, Attention: Corporate Trust Division; if to the Manufacturer, at La Grange, Illinois 60525, Attention of Mr. Walter A. Ninke; if to the Guarantor, at Tacoma, Washington 98401, Attention of Mr. C. W. Ramey; or addressed to any party at such other address as such party shall from time to time designate in writing to the other party.

ARTICLE 11. This Agreement sets forth the entire understanding of the parties hereto as to the purchase and sale of the Unit, and is in full substitution for the Purchase Contract dated May 4, 1970 between DeQueen & Eastern Railroad Company and the Manufacturer (the "Purchase Contract") which was assigned to the Vendee pursuant to the Assignment and Assumption, and upon the execution of this Agreement by all of the parties hereto the Purchase Contract shall be void and of no further force and effect.

ARTICLE 12. Execution in Counterparts. This Agreement may be executed by the parties hereto in several separate counterparts, each of which when so executed shall be deemed to be an original, and in each case such counterparts together shall constitute but one and the same instrument.

ARTICLE 13. Successor Trustee. The Manufacturer agrees that in the case of the appointment of any successor Trustee pursuant to the terms of the Interim Trust Agreement, such successor Trustee shall, upon execution of a written assumption of all the duties and obligations of the Vendee hereunder, in form and substance satisfactory to the Manufacturer, succeed to all the rights, powers and title of the Vendee hereunder and shall be deemed to be the Vendee and, subject to the terms and conditions hereof, the owner of the Unit for all purposes hereof, without the necessity of any consent or approval by the Guarantor and without in any way altering the terms of this

Agreement or the Manufacturer's or the Guarantor's obligations hereunder. One such appointment and designation of the successor Trustee shall not exhaust the right to appoint and designate further successor trustees pursuant to the Interim Trust Agreement, but such right may be exercised repeatedly so long as this Agreement shall be in effect.

ARTICLE 14. Miscellaneous. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law the Vendee hereby waives any provision of law which renders any provision hereof prohibited or unenforceable in any respect. No term or provision of this Agreement may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which the enforcement of the change, waiver, discharge or termination is sought; and any waiver of the terms hereof shall be effective only in the specific instance and for the specific purpose given. The captions in this Agreement are for convenience of reference only and shall not define or limit any of the terms of provisions hereof. This Agreement shall in all respects be governed by, and construed in accordance with, the laws of the State of New York, including all matters of

construction, validity and performance, provided, however, that the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act, such additional rights arising out of the filing, recording or deposition hereof and of any assignment hereof or out of the marking on the Unit as shall be conferred by the laws of the several jurisdictions in which this Agreement shall be filed, recorded or deposited and any and all rights arising out of the marking of the Unit.

IN WITNESS WHEREOF, Vendee, Manufacturer and Guarantor have caused this Agreement to be duly executed by their respective officers or representatives thereunto duly authorized as of the day and year first above written.

BANKERS TRUST COMPANY, as Trustee

By _____
Vice President

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION)

By _____
Title:

WEYERHAEUSER COMPANY

By _____
Title:

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.:

On this day of 19 , before
me personally appeared , to me
personally known, who being by me duly sworn, says that he
is the of General Motors Corporation, that
the seal affixed to the foregoing instrument is the corporate
seal of said corporation, that said instrument was signed
and sealed on behalf of said corporation by authority of
its Board of Directors, and he acknowledged that the execu-
tion of the foregoing instrument was the free act and deed
of said corporation.

[Title of officer]

[SEAL]

My commission expires _____

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss.:

On this day of 1971, before
me personally appeared , to me
personally known, who being by me duly sworn, says that he
is the of Bankers Trust Company, that the
seal affixed to the foregoing instrument is the corporate
seal of said corporation, that said instrument was signed
and sealed on behalf of said corporation by authority of its
Board of Directors, and he acknowledged that the execution
of the foregoing instrument was the free act and deed of
said corporation.

Title of officer

[SEAL]

My commission expires _____.

ANNEX A
to
Interim Conditional Sale Agreement

INTERIM TRUST AGREEMENT

ANNEX B

to

Interim Conditional Sale Agreement

<u>Type</u>	GP40 Diesel Electric General Purpose Locomotive
<u>Manufacturer's Specifications</u>	No. 8056 dated June 2, 1969
<u>Manufacturer's Plant</u>	McCook, Illinois
<u>Quantity</u>	1
<u>Lessee's Road Number</u>	D-12
<u>Delivery</u>	April, 1971, at DeQueen, Arkansas
<u>Unit Base Price</u>	\$216,500
<u>Modification Costs</u>	\$ 4,448
<u>Total Price</u>	\$220,948

ANNEX C
to
Interim Conditional Sale Agreement

CERTIFICATE OF ACCEPTANCE
UNDER INTERIM CONDITIONAL SALE AGREEMENT
AND INTERIM LEASE OF RAILROAD EQUIPMENT

To: BANKERS TRUST COMPANY, as trustee under the Interim Trust Agreement dated as of April 1, 1971 (the "Trustee"), and GENERAL MOTORS CORPORATION (the "Manufacturer");

I, Charles W. Ramey, Jr., the duly appointed authorized representative of Texas, Oklahoma & Eastern Railroad Company (the "Lessee") for the purpose of the Interim Lease of Railroad Equipment (the "Interim Lease"), dated as of April 1, 1971, among the Trustee as lessor, Weyerhaeuser Company and the Lessee, do hereby certify that I have received, approved and, by executing this Certificate, have accepted delivery on behalf of the Trustee, under the Interim Conditional Sale Agreement dated as of April 1, 1971, among the Trustee, the Manufacturer and Weyerhaeuser Company and on behalf of the Lessee under the Interim Lease, of the following Unit;

TYPE OF EQUIPMENT:	One Model GP40 Electric General Purpose Locomotive
LOCATION OF EQUIPMENT UPON ACCEPTANCE:	DeQueen, Arkansas
DATE ACCEPTED:	April , 1971
ROAD NUMBER:	D-12

I do further certify that the foregoing Unit is in good order and condition, and appears to conform to the

specifications applicable thereto and to all applicable requirements and specifications of the Interstate Commerce Commission and/or United States Department of Transportation and the Unit has been marked in accordance with Section 9 of the Interim Lease.

The execution of this certificate will in no way relieve or decrease the responsibility of the Manufacturer of the Unit for any warranties it has made with respect to the Unit.

Dated: April , 1971

Authorized
Representative of
TEXAS, OKLAHOMA & EASTERN
RAILROAD COMPANY

EXHIBIT III TO
INTERIM TRUST
AGREEMENT

INTERIM LEASE OF RAILROAD
EQUIPMENT